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for the Substantively Consolidated SIPA Liquidation
of Bernard L. Madoff Investment Securities LLC
and the Estate of Bernard L. Madoff*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation of
Bernard L. Madoff Investment Securities LLC,

Plaintiff,

v.

Adv. Pro. No. 10-04661 (SMB)

KRELLENSTEIN FAMILY LIMITED
PARTNERSHIP II OF 1999, a Delaware limited
partnership, KRELLENSTEIN FAMILY
ENTERPRISES, INC., a Delaware corporation, ELY
KRELLENSTEIN REVOCABLE TRUST OF 1994,
a Florida trust, ELY KRELLENSTEIN, as settlor, as
trustee, and as an individual, SHIRLEY
KRELLENSTEIN REVOCABLE TRUST OF 1994,
a Florida trust, and SHIRLEY KRELLENSTEIN, as
settlor, as trustee, and as an individual,

Defendants.

STIPULATION TO AMEND CAPTION AND FOR ENTRY OF JUDGMENT

IT IS HEREBY STIPULATED AND AGREED by and between plaintiff Irving H. Picard, Trustee for the Substantively Consolidated SIPA Liquidation of Bernard L. Madoff Investment Securities LLC and for the Estate of Bernard L. Madoff (the “Trustee”) and defendants Krellenstein Family Limited Partnership II of 1999 and Krellenstein Family Enterprises, Inc. (“Defendants”) (the Trustee and Defendants are collectively referred to as the “Parties”, and individually as a “Party”), as follows:

1. On or about December 1, 2010, the Trustee commenced the above-captioned adversary proceeding in the Bankruptcy Court, alleging, *inter alia*, that defendants Krellenstein Family Limited Partnership II of 1999, a Delaware limited partnership, Krellenstein Family Enterprises, Inc., a Delaware corporation, Ely Krellenstein Revocable Trust of 1994, a Florida trust, Ely Krellenstein, as settlor, as trustee, and as an individual, Shirley Krellenstein Revocable Trust of 1994, a Florida trust, and Shirley Krellenstein, as settlor, as trustee, and as an individual, received avoidable transfers in an amount aggregating One Million Two Hundred Eighty-Five Thousand Three Hundred Thirty United States Dollars (\$1,285,330.00) in connection with BLMIS Account No. 1ZB097.

2. By Order Granting in Part and Denying in Part Defendants’ Motions to Dismiss entered on July 16, 2015 (ECF No. 45) defendants Ely Krellenstein Revocable Trust of 1994, Ely Krellenstein, as settlor, as trustee, and as an individual, Shirley Krellenstein Revocable Trust of 1994, and Shirley Krellenstein, as settlor, as trustee, and as an individual, were dismissed as defendants from this adversary proceeding, without prejudice.

3. The Clerk of the Court is hereby directed to amend the caption to remove defendants Ely Krellenstein Revocable Trust of 1994, Ely Krellenstein, as settlor, as trustee, and as an individual, Shirley Krellenstein Revocable Trust of 1994, and Shirley Krellenstein, as settlor, as trustee, and as an individual as reflected on Exhibit A to this Stipulation.

4. Immediately thereafter, the Trustee shall be entitled to entry of a Consent Judgment, a copy of which is attached hereto as Exhibit B, entered against Defendants Krellenstein Family

Limited Partnership II of 1999 and Krellenstein Family Enterprises, Inc. in the amount of \$1,285,330.00.

5. Defendants confirm the amount set forth in Paragraph 4 above.

6. That judgment shall be final for all purposes upon entry of judgment and each Party waives any right to appeal therefrom.

7. That Defendants, represented in this action by counsel, have read and understand the contents of this Stipulation for Entry of Judgment (this "Stipulation").

8. That this Stipulation shall be filed immediately upon its execution.

9. This Stipulation may be signed in counterparts, all of which when taken together shall constitute the agreement of the Parties hereto. A photocopy, facsimile or email signature to this Stipulation shall be deemed as an original signature for any and all purposes.

Dated: December 30 , 2016

Of Counsel:

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Bernard L. Madoff Investment Securities LLC
and the Estate of Bernard L. Madoff*

**KRELENSTEIN FAMILY LIMITED
PARTNERSHIP II OF 1999**

By: s/ Ely Krellenstein
Ely Krellenstein, President
Krellenstein Family Enterprises, Inc.,
General Partner of Krellenstein Family Limited
Partnership II of 1999

**KRELENSTEIN FAMILY ENTERPRISES,
INC.**

By: *s/ Ely Krellenstein*

Ely Krellenstein, President
Krellenstein Family Enterprises, Inc.

AKERMAN, LLP

By: *Michael I. Goldberg*

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Attorneys for Defendants

Exhibit A

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

<div>SECURITIES INVESTOR PROTECTION CORPORATION,</div> <div>Plaintiff-Applicant,</div> <div>v.</div> <div>BERNARD L. MADOFF INVESTMENT SECURITIES LLC,</div> <div>Defendant.</div>	<div>Adv. Pro. No. 08-01789 (SMB)</div> <div>SIPA LIQUIDATION</div> <div>(Substantively Consolidated)</div>
<div>In re:</div> <div>BERNARD L. MADOFF,</div> <div>Debtor.</div>	
<div>IRVING H. PICARD, Trustee for the Liquidation of Bernard L. Madoff Investment Securities LLC,</div> <div>Plaintiff,</div> <div>v.</div> <div>KRELLENSTEIN FAMILY LIMITED PARTNERSHIP II OF 1999, a Delaware limited partnership, and KRELLENSTEIN FAMILY ENTERPRISES, INC., a Delaware corporation,</div> <div>Defendants.</div>	<div>Adv. Pro. No. 10-04661 (SMB)</div>

Exhibit B

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION CORPORATION, Plaintiff-Applicant, v. BERNARD L. MADOFF INVESTMENT SECURITIES LLC, Defendant.	Adv. Pro. No. 08-01789 (SMB) SIPA LIQUIDATION (Substantively Consolidated)
In re: BERNARD L. MADOFF, Debtor.	
IRVING H. PICARD, Trustee for the Liquidation of Bernard L. Madoff Investment Securities LLC, Plaintiff, v. KRELLENSTEIN FAMILY LIMITED PARTNERSHIP II OF 1999, a Delaware limited partnership, and KRELLENSTEIN FAMILY ENTERPRISES, INC., a Delaware corporation, Defendants.	Adv. Pro. No. 10-04661 (SMB)

CONSENT JUDGMENT

WHEREAS, Irving H. Picard (the “Trustee”) is the trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act (“SIPA”), 15 U.S.C. § 78aaa *et seq.*, substantively consolidated with the liquidation under chapter 7 of the Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, of the estate of Bernard L. Madoff (“Madoff”), currently pending in United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) as Case No. 08-01789 (SMB);

WHEREAS, the Trustee is duly qualified to serve and act on behalf of the estates of BLMIS and Madoff;

WHEREAS, on or about December 1, 2010, the Trustee commenced the above-captioned adversary proceeding in the Bankruptcy Court, alleging, *inter alia*, that defendants Krellenstein Family Limited Partnership II of 1999, a Delaware limited partnership, Krellenstein Family Enterprises, Inc., a Delaware corporation, Ely Krellenstein Revocable Trust of 1994, a Florida trust, Ely Krellenstein, as settlor, as trustee, and as an individual, Shirley Krellenstein Revocable Trust of 1994, a Florida trust, and Shirley Krellenstein, as settlor, as trustee, and as an individual, received avoidable transfers in an amount aggregating One Million Two Hundred Eighty-Five Thousand Three Hundred Thirty United States Dollars (\$1,285,330.00) (the “Avoidable Transfers”) in connection with BLMIS Account No. 1ZB097 (the “Trustee’s Claims”);

WHEREAS, by Order Granting in Part and Denying in Part Defendants’ Motions to Dismiss entered on July 16, 2015 (ECF No. 45) defendants Ely Krellenstein Revocable Trust of 1994, Ely Krellenstein, as settlor, as trustee, and as an individual, Shirley Krellenstein Revocable Trust of 1994, and Shirley Krellenstein, as settlor, as trustee, and as an individual, were dismissed as defendants from this adversary proceeding, without prejudice;

WHEREAS, on or about November 28, 2016, the Trustee and Defendants entered into a Stipulation to Amend Caption and for Entry of Judgment (“Stipulation”); and

WHEREAS, pursuant to the terms of this Stipulation, Defendants, Krellenstein Family Limited Partnership II of 1999 and Krellenstein Family Enterprises, Inc have consented to the entry of judgment against them (the “Consent Judgment”) with respect to the Trustee’s Claims and the Avoidable Transfers.

NOW THEREFORE, IT IS HEREBY ORDERED AND ADJUDGED THAT:

1. The Avoidable Transfers are avoidable and avoided under section 548 of the Bankruptcy Code, SIPA and other applicable state law and are recoverable under sections 550 and/or 551 of the Bankruptcy Code, SIPA and applicable state law.

2. Subject to the terms of that certain Stipulation, and as set forth in the recitals above, the Consent Judgment is hereby entered in favor of the Trustee and against Defendants Krellenstein Family Limited Partnership II of 1999 and Krellenstein Family Enterprises, Inc., jointly and severally, in the amount of \$1,285,330.00.

3. This Consent Judgment is defined and limited as set forth herein and by the terms of the Stipulation.

4. The undersigned represent that the respective parties have obtained the advice of counsel and are consenting and agreeing to all the terms of this Consent Judgment freely and voluntarily.

5. The Clerk of Court shall enter this Consent Judgment on the Docket.

AGREED AND CONSENTED TO AS TO FORM AND SUBSTANCE:

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*Attorneys for Irving H. Picard, Trustee for the
Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC
and the Estate of Bernard L. Madoff*

SO ORDERED

This ____ day of _____, 2017

HONORABLE STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE